UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

No. 04-CV-10421-JLT
L. Tauro

REPLY OF HEALTHY SOLUTIONS PARTIES TO OBJECTION OF CAPPSEALS TO SETTLEMENT OF ALL CLAIMS AMONG HEALTHY SOLUTIONS PARTIES AND ITV DIRECT PARTIES

The Healthy Solutions parties and the ITV Direct parties have asked the Court to approve settlements among them that **dispose of all claims and issues left for trial.** CAPPSEALS, the bottler of Supreme Greens, a proprietary nutritional formula of the Healthy Solutions' parties, shipped to the ITV Direct parties, improperly objects to the proposed settlement, even though its claims have already been adjudicated, without any legal or factual basis.

1. Cappseals already has final judgments against ITV Direct Inc. and Healthy Solutions LLC for far more than it is entitled to, the value of the goods shipped, (\$1.9 million judgments collectively, <u>Docket No. 140</u>, <u>Docket No. 91</u>, for goods valued at \$890,182.09).

- 2. Cappseals is still free to execute on those judgments as allowed by law, and is in fact attempting to do so. The permanent injunction was clearly intended to make sure that any money or property going to Healthy Solutions LLC would go to Cappseals first. No money or property is flowing to Healthy Solutions LLC.
- 3. The proposed settlements do not abrogate Cappseals' judgments. It resolves a multiplicity of disputes among the parties *other than* Cappseals, including breaches of contract, trademark and counterfeiting disputes, fraud claims and other claims. The proposed settlement <u>obviates the need for a 15 day jury trial</u>. To the extent there are other assets, Cappseals is free to execute upon them.
- 4. The purpose of a trial is to find facts and resolve disputes. There is no longer any dispute among the ITV Direct and Healthy Solutions parties and no need for a trial. The Court's docket should be cleared of this case and the Stipulated Dismissal should be entered.

Respectfully submitted,

O'CONNOR CHRISTENSEN & MCLAUGHLIN LLP

Dated: September 26, 2005

/s/Becky V. Christensen
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CERTIFICATE OF SERVICE

I hereby certify that on September 26, 2005, a copy of foregoing

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was filed electronically. Notice of this filing will be sent to all parties by operation of the Court's electronic filing system. Parties may access this filing through the Court's system.

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